GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:540
ANSWERED ON:26.02.2016
Policy for Adequate Autonomy to Companies
Vichare Shri Rajan Baburao

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government propose to introduce a policy to provide adequate autonomy to companies and to help in getting clearance in Foreign Investment Promotion Board.
(b) If so, the details thereof; and
(c) If not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(Shri Jayant Sinha)
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(a) to (c)
1. In its endeavour to ease the process for FDI applications, Government launched a new secured FIPB website namely fipb.gov.in in 2015. Website offers increased portfolio services to applicants in an efficient manner and also allows more transparent way of business to keep applicant informed on the current status of their applications.
2. The efforts of the Government have yielded results and FDI during 2014-15 is US$ 44,877 million as compared to US$ 36,046 million in 2013-14. To further boost the investment environment and to bring in foreign investments in the country, the Government has brought in FDI related Reforms and liberalisation. The salient measures are:
a) No approval required for eligible investments in Limited Liability Partnerships
b) Special treatment applicable for investment by non-resident Indians on non-repatriation basis through companies, partnerships, trusts, etc.
c) No approval required for foreign investment by way of share swap; New sectors opened up for foreign investment, including, plantations, duty free shops and ownership in real estate for purposes of leasing
d) Foreign shareholding limits increased in many sectors including broadcasting and airline services
e) Investment in certain sectors including defence, broadcasting and airline services, now under automatic route
f) Full fungibility for portfolio investment in private banking sector
g) Conditions attached to FDI relaxed in certain sectors, including removal of restriction on e-commerce by manufacturers and removal of minimum land and capitalization requirement for construction development sector

3. Present FDI Policy and other Press Notes are available at DIPP website namely dipp.nic.in.